U.S. Department
of Transportation
Pipeline and
Hazardous Material
Safety Administration

1200 New Jersey Ave, SE
Washington, D.C. 20590

2007 Hazardous Liquid Pipeline Safety Program Evaluation

for

Washington Utilities and Transportation Commission

Document Legend:
PART:

O -- Representative Date and Title Information
A -- General Program Compliance
B -- Inspections(Procedures,Records,forms)
C(1) -- Compliance 60105(a) States
C(2) -- Compliance 60106(a) States
C(3) -- Compliance-Interstate Agents
D -- Accident Investigations
E -- Field Inspection

2007 Hazardous Liquid Pipeline Safety Program Evaluation -- CY 2007
(Hazardous Liquid)

State Agency: Washington **Rating:**
Agency Status: **60105(a):** YES **60106(a):** NO **Interstate Agent:** YES
Date of Visit: 03/31/2008 - 06/06/2008
Agency Representative: David Lykken and Kuang Chu

PHMSA Representative: Tom Finch and Huy Van Nguyen

Commission Chairman to whom follow up letter is to be sent:

Name/Title: Mr. Mark Sidran, Chairman
Agency: Washington Utilities & Transportation Commission
Address: 1300 S. Evergreen Park Dr. S.W.
City/State/Zip: Olympia, Washington 98504

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performace during CY 2007 (not the status of performace at the time of the evalation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Circle the correct answer; then place the score in the points column. If a state receives less then the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, delete the question and deduct the points from the total possible points. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performace. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual certification/agreem attachments provide the basis for determining the state's pipeline safety grant allocation..

Field Inspection (PART E):

The field inspection form used will allow different areas of emphasis to be considered for each question. Questions 5,6 and 7 are provided for scoring this portion of the field inspection. In completing PART E, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PART		Possible	Points Scored
A	General Program Compliance	43	43
B	Inspections(Procedures,Records,forms)	39	39
C(1)	Compliance 60105(a) States	17	17
C(2)	Compliance 60106(a) States	0	0
C(3)	Compliance-Interstate Agents	18	18
D	Accident Investigations	2	2
E	Field Inspection	12	12
TOTAL		**131**	**131**
State	.....		**100**

PART A - General Program Compliance

	Points(MAX)	Score
Yes = 8 No = 0 Needs Minor Improvement = 3-7 Needs Major Improvement = 2 Yes = 8 No = 0 Needs Minor Improvement = 3-7 Needs Major Improvement = 2	8	**8**

A.1

Did the state submit complete and accurate information on the attachments to its most current 60105 (a) Certification/ 60106 (a) Agreement? (NOTE: PHMSA representative to verify certification/agreement attachments by reviewing appropriate state documentation. Score a deficiency in any one area as "needs improvement." Attachment numbers appear in parentheses.)

a. State jurisdiction and agent status over hazardous liquid and CO2 facilities(1)	X
a. State Jurisdiction and agent status over Hazardous Liquid and CO2 facilities(1)	X
b. Total state inspection activity(2)	X
b. Total state inspection activity(2)	X
c. Hazardous liquid pipeline facilities subject to state safety jurisdiction(3)	X
c. Hazardous Liquid facilities subject to state safety jurisdiction(3)	X
d. Hazardous liquid pipeline accidents(4)	X
d. Hazardous Liquid pipeline incidents(4)	X
e. State compliance actions(5)	X
e. State compliance actions(5)	X
f. State record maintenance and reporting(6)	X
f. State record maintenance and reporting(6)	X
g. State employees directly involved in hazardous liquid pipeline program(7)	X
g. State employees directly involved in the Hazardous Liquid pipeline safety program(7)	X
h. State compliance with federal requirements(8)	X
h. State compliance with Federal requirements(8)	X

SLR NOTES:

I suggested they more proportionately allocate the clerical and supervisor's time. to less % on liquids and more % on gas.

Enter only the T&Q Training up through the calendar year of the certification.

A.2

Yes = 1 No = 0 Yes = 1 No = 0

Did the state have an adequate mechanism to track operator reporting of accidents to ensure state compliance with 60105(a) Certification/ 60106 (a) Agreement requirements (accident criteria as referenced in 195.50)? (Chapter 6)

1 **1**

SLR NOTES:

Yes both in their database and in their paper files which has the letters and is a good backup to the database.

A.3

Yes = 3 No = 0 Needs Improvement = 1 Yes = 2 No = 0

Did the state take appropriate follow-up actions related to operator accident reports? (Chapter 6)

3 **3**

SLR NOTES:

Yes per the reports they make a judgement call if they need to investigate or not.

A.4

Yes = 1 No = 0 Yes = 2 No = 0 Needs Improvement = 1

In states requiring operators to file accident reports with state, did state forward accident reports to PHMSA within 10 days? (195.58)

2 **2**

SLR NOTES:

Yes they forward reports via call, email or fax almost immediately.

A.5

Yes = 5 No = 0 Yes = 2 No = 0 Needs Improvment = 1

Has the state held a pipeline safety T&Q seminar(s) in the last 3 years? (NOTE: Indicate date of last seminar or if state requested seminar, but T&Q could not provide, indicate date of state request for seminar. Seminars must be held at least once every three calendar years.) (Chapter 8.5)

5 **5**

SLR NOTES:

Yes last held October 25th, 2005 in SeaTac, WA. The next one is scheduled May 13th, 2008.

Continued from Previous page..... **Points (MAX)** **Score**

A.6 Yes = 1 No = 0 Yes = 2 No = 0 Needs Improvement = 1
Were pipeline safety program files well organized and accessible? (Note: This also includes electronic files) (Chapter 5) — 2 — **2**

SLR NOTES:

Yes their Admin. Assistant has done an excellent job of keeping files organized and accessible.

A.7 Yes = 1 No = 0 Yes = 5 No = 0 Needs Improvement = 3
Did state records and discussions with the state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? (Chapter 4.1, chapter 8.1) — 5 — **5**

SLR NOTES:

Yes their Acting State Pipeline Safety program manager indicated a very adequate knowledge of PHMSA programs and regulations.

A.8 Yes = 3 No = 0 Yes = 5 No = 0 Needs Improvement = 3
Did the state encourage and promote programs to prevent damage to pipeline facilities as a consequence of demolition, excavation, tunneling, or construction activity? (Chapter 7.1) — 5 — **5**

SLR NOTES:

Yes. Tim Sweeney guided them and worked with them on and toward the 9 elements. No state agency is exempt from this but no state agengy has completed authority over the state damage prevention program. Identifying and fining the repeat offenders.

A.9 Yes = 5 No = 0 Yes = 5 No = 0
Did the state respond in writing within 60 days to the requested items in the Chairman's letter following the Region's last program evaluation? (If no items requested in letter, mark as "Yes") (Chapter 8.1) — 5 — **5**

SLR NOTES:

Yes they responed on January 7th, 2008 to our December 14, 2007 letters.

A.10 Info Only = No Points Yes = 2 No = 0 Needs Improvement = 1
What actions, if necessary, did the State initiate as a result of issues raised in the Chairperson's letter from the previous year? Did actions correct or address deficiencies from previous year's evaluation? Describe. (Chapter 8.1) — 2 — **2**

SLR NOTES:

Yes because we did not ask for any specific actions in the Chairperson's letter. The acting program manager replied and addressed items in my letter to him.

A.11 Yes = 5 No = 0 Info Only = No Points
Has each inspector fulfilled the 3 year T&Q training requirement? If No, has the state been granted a waiver regarding T&Q courses by the Associate Administrator for Pipeline Safety? (NOTE: If the State has new inspectors who have not attended all T&Q courses, but are in a program which will achieve the completion of all applicable courses within 3 years of employment, or if a waiver has been granted by the Associate Administrator for Pipeline Safety, please answer yes.) — 5 — **5**

SLR NOTES:

Yes Lex Vinsel is on track to have his required courses completed by September, 2009. Stephanie Zuehlke started her courses 11/2007.

A.12 Information Only = No points
Brief Description of Non-T&Q training Activities — - — -

For State Personnel:

The 8 hour HAZWOPER Refresher 7/2007 by CADRE 8 other than P. Johnson who attended PHMSA's HAZWOPER Course.

NACE CP Level 2 Course for Jones and Subsits.

NTSB Human Fatique Factors/Congenitive Interviewing Techniques Courses for S. Zuehlke & Lex Vinsel.

National Welding Inspection School for Vinsel.

For Operators:

None last year other than Damage Prevention Workshops.

For Non-Operator Entities/Parties, Information Dissemination, Public Meetings:

Just Citizen Committee Meetings.

SLR NOTES:

A.13 Information Only = No points
Did the lead inspectors complete all the required T&Q OQ courses and Computer Based Training (CBT) before conducting OQ inspections? (Chapter 4.4.1) - -

SLR NOTES:

Yes all that have performed OQ inspections have all had the OQ Seminar and OQ CBT.

A.14 Information Only = No points
Did the lead inspectors complete all required Integrity Management Program (IMP) courses/seminars and CBT before conducting IMP inspections? (Chapter 4.4.1) - -

SLR NOTES:

Yes just Al, Scott, Joe, Kuang, and David perform the IMP Inspections and have been trained.

A.15 Yes = 1 No = 0 Information Only = No Points
What were the major accomplishments for the year being evaluated? Describe the accomplishments. - -

SLR NOTES:

They are continuing to work on their Damage Prevention Plan to try to meet PHMSA's 9 elements. Sent letters to excavators concerning one call enforcement.

A.16 Yes = 1 No = 0 Information Only = No Points
What legislative or program initiatives are taking place/planned in the state, past, present, and future? Describe initiatives (i.e. damage prevention, jurisdiction/authority, compliance/administrative, etc.) - -

SLR NOTES:

Damage Prevention Strategy and Plan.

A.17 Information Only = No points
What progress has the state made toward achieving an effective Damage Prevention program as described in 60134(b) "Damage Prevention Program Elements" (9 Elements) - -

SLR NOTES:

Tim Sweeney guided them and worked with them on and toward the 9 elements. No state agency is exempt from this but no state agengy has completed authority over the state damage prevention program. Identifying and fining the repeat offenders.

A.18 Information Only = No points
Part A: General Comments/Regional Observations/Computer Inventory - -

SLR NOTES:

Computer Inventory:

Quantity	Description	Year	Make	Model	Serial Number	Federal
					Tag #	
1	Dell Processor		Dell		N67NXD51	TSC#98823
1 set	Speakers	Dell		-	-	
1	Samsung Flat Screen Monitor			Samsung	MY19HCHX505286	TSC#98843
1	HP PSC 2410 (All in one printer)			HP	MY41SJ36JF	TSC#98914
1	HP Scanjet Scanner 4600			HP	CN3BMB7638	TSC#98794
1	HP Scanjet Scanner		HP		CN2251606H	TSC#92227

Notes on Non T&Q Courses that were god training:

The 8 hour HAZWOPER Refresher 7/2007 by CADRE 8 other than P. Johnson who attended PHMSA's HAZWOPER Course.

NACE CP Level 2 Course for Jones and Subsits.

NTSB Human Fatique Factors/Congenitive Interviewing Techniques Courses for S. Zuehlke & Lex Vinsel.

National Welding Inspection School for Vinsel.

Total points scored for this section: 43
Total possible points for this section: 43

PART B - Inspections(Procedures,Records,forms)

Points(MAX) **Score**

B.1 Yes = 5 No = 0 Needs Improvement = 1-4 Yes = 6.5 No = 0 Needs Improvement = 50% Deduction
Does the State have a written inspection plan to complete the following? (Chapter 5.1) — 5 — **5**

a. Standard Inspections	Yes	◉ No	○ Needs Improvement
a Standard Inspections (Including LNG) (Max points = 2)	Yes	◉ No	○ Needs Improvement
b. IMP Inspections	Yes	◉ No	○ Needs Improvement
b IMP Inspections (Including DIMP) (Max points = .5)	Yes	◉ No	○ Needs Improvement
c. OQ Inspections and Training Verification	Yes	◉ No	○ Needs Improvement
c OQ Inspections (Max points = .5)	Yes	◉ No	○ Needs Improvement
d. Construction Inpsections	Yes	◉ No	○ Needs Improvement
d Damage Prevention (Max points = .5)	Yes	◉ No	○ Needs Improvement
let placeholder	Yes	◉ No	○ Needs Improvement
e. Other Integrity Inspections and incident investigations	Yes	◉ No	○ Needs Improvement
e On-Site Operator Training (Max points = .5)	Yes	○ No	○ Needs Improvement

SLR NOTES:

Yes per their 2007 Inspection Priority assignments and their Policies and Procedures Manual.

B.2 Yes = 2 No = 0 Needs Improvement = 50% Deduction Yes = 2 No = 0 Needs Improvement = 1
Did the written procedures for selecting operators adequately address key concerns? (Chapter 5.1) — 2 — **2**

a. Length of time since last inspection	Yes	◉ No	○ Needs Improvement
a Length of time since last inspection	Yes	◉ No	○ Needs Improvement
b. History of operator/unit and/or location(including leakage, incident and compliance history)	Yes	◉ No	○ Needs Improvement
b History of Operator/unit and/or location (including leakage , incident and compliance history)	Yes	◉ No	○ Needs Improvement
c. Types of activity being undertaken by operator(construction etc.)	Yes	◉ No	○ Needs Improvement
c Type of activity being undertaken by operator (construction etc)	Yes	◉ No	○ Needs Improvement
d. For large operators, rotation of locations inspected	Yes	◉ No	○ Needs Improvement
d For large operators, rotation of locations inspected	Yes	◉ No	○ Needs Improvement

SLR NOTES:

Yes

B.3 Yes = 2 No = 0 Needs Improvement = 1 Yes = 2 No = 0
Did the state inspect units in accordance with time intervals established in its written procedures? (Chapter 5.1) — 2 — **2**

SLR NOTES:

Yes all within 3 years.

B.4 Yes = 1 No = 0 Yes = 2 No = 0 Needs Improvement = 1
Did the state maintain detailed records to sufficiently back up the types of inspections conducted and person-days devoted to inspections? — 2 — **2**

SLR NOTES:

Yes per their Stats on Oerator Spreadsheets for our Certification Attachment 1.

B.5 Yes = 4 No = 0 Needs Improvement = 1-3 Yes = 1 No = 0
Do the state inspection forms cover all applicable code requirements addressed on the federal inspection forms? (Chapter 5.1(3)) — 4 — **4**

SLR NOTES:

Yes with their WAC Regulations incorparated and added to our federal forms.

B.6 Yes = .5 No = 0 Yes = 4 No = 0 Needs Improvement = 1-3
Did state complete all portions of all inspection forms? (Chapter 5.1(3)) — 4 — **4**

SLR NOTES:

Yes on all of their liquids inspections. One Team O&M follow the (SW) lead inspection was missing 1 check mark.

B.7 Yes = 2 No = 0 Needs Improvement = 1 Yes = .5 No = 0
Did the state initiate appropriate follow-up actions to Safety Related Condition Reports? (Chapter 5.1(3)) — 2 — **NA**

SLR NOTES:

NA there were none in 2007.

B.8 Yes = .5 No = 0 Yes = 2 No = 0 Needs Improvement = 1
Did the state review operator procedures for determining areas of active corrosion on liquid lines in sufficient detail? (NOTE: PHMSA representative to describe state criteria for determining areas of active corrosion.) — 2 — **2**

SLR NOTES:

Yes this is already reviewing this as question number 226. of the checklist that they have completed during their inspections.

B.9 Yes = 1 No = 0 Yes = .5 No = 0
Did the state adequately review for compliance operator procedures for abandoning pipeline facilities and analyzing pipeline accidents to determine their causes? (NOTE: PHMSA representative to describe state criteria for determining compliance with abandoning pipeline facilities and analyzing pipeline accidents to determine their causes.) — 1 — **1**

SLR NOTES:

Yes per the checklist questions 69. and 70 on their inspection forms.

B.10 Yes = 1 No = 0 Yes = 2 No = 0 Needs Improvement = 1
Did the state review operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings? Refer to April 12, 2001 PHMSA letter response to NTSB Recommendations P-00-20 and P-00-21. — 2 — **NA**

SLR NOTES:

Why is this in the liquids eavaluation? Actually NA."underground migration of gas".

B.11 Yes = 1 No = 0 Needs Improvement = .5 Yes = 2 No = 0 Needs Improvement = 1
Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by Part 195.402e? — 2 — **2**

SLR NOTES:

Yes per the inspection form checklist.

B.12 Yes = 2 No = 0 Needs Improvement = 1 Yes = 1 No = 0 Needs Improvement = .5
Has the state reviewed underground directional drilling/boring procedures of each operator and their contractors to determine if they include effective actions to protect their underground facilities from the dangers posed by directional drilling and other trenchless technologies? These procedures should include, but are not limited to, accurately locating underground piping and reviewing the qualifications of personnel performing the work. — 2 — **2**

SLR NOTES:

Yes per the inspection form checklist.

B.13 Yes = 1 No = 0 Needs Improvement = .5 Yes = 3 No = 0 Needs Improvement = 1
Did the state adequately document sufficient information on probable violations? (Chapter 5.2) — 3 — **3**

SLR NOTES:

Yes per the ExxonMobil interstate inspection and Kinder Morgan interstate inspection and the Agrium intrastate inspection.

B.14 No = 0 Yes = 1 No = 0 Needs Improvement = .5 Yes = 5
Was the ratio acceptable of total inspection person-days to total person-days charged to the program by state inspectors? (Regional Director may adjust points for just cause.) — 5 — **5**

A. Total Inspection Person Days (Attachment 2):

58.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):

220 X 0.59 = 130.72

Ratio: A / B

58.00 / 130.72 = 0.44

If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0

Points = 5

SLR NOTES:

A. = 58

B. = 220x0.59= 130.7

58/130.7 = 0.44 >0.38 = Yes

Continued from Previous page..... **Points (MAX)** **Score**

B.15 Yes = 1 No = 0 Needs Improvement = .5 Information Only = No points
Have there been modifications or proposed changes to inspector-staffing levels? If yes, describe. - -

SLR NOTES:

During August, 2007 they added Stepanie Zuehlke as an inspector.

B.16 Yes = 1 No = 0 Yes = 5 No = 0
Is the state aware of environmentally sensitive areas traversed by or adjacent to hazardous liquid pipelines? (Reference Part 195) 5 **5**

SLR NOTES:

Yes per their extensive GIS mapping system.

B.17 Information Only = No Points Yes = 1 No = 0 Needs Improvement = .5
Did the State use the Federal Protocols to conduct the IMP Inspections? (If the State used an alternative Inspection form please provide information regarding alternative form.) - -

SLR NOTES:

Yes the State used the Federal Protocols to conduct the intrastate Liquid IMP Inspections mainly in previuos years and use Form 19 for Field Validation in 2007.

B.18 Information Only = No Points Yes = 1 No = 0 Needs Improvement = .5
Have the IMP Federal Protocol forms been uploaded to the Integrity Management Database(IMDB)? - -

SLR NOTES:

Yes per the reports that I get from our Liquid IMP guru (HN).

B.19 Information Only = No Points Yes = 1 No = 0 Needs Improvement = .5
Did the State input all operator qualification inspection results into web based database provided by PHMSA in a timely manner upon completion of OQ inspections? - -

SLR NOTES:

Yes per the reports that I get from our OQ guru (JH).

B.20 Yes = .5 No = 0 Information Only = No Points
Did the State submit their replies into the Integrity Management Database (IMDB) in response to the Operators notifications for their integrity management program? - -

SLR NOTES:

The state did not have any Operator notifications for the operator's integrity management programs to reply to in 2007.

B.21 Yes = 1 Information Only = No Points No = 0
Part B: General Comments/Regional Observations - -

SLR NOTES:

None at this time.

Total points scored for this section: 39
Total possible points for this section: 39

PART C(1) - Compliance 60105(a) States

		Points(MAX)	Score
C(1).1	Yes = 2 No = 0 Needs Improvement = 1 Does the state have written procedures to identify the steps to be taken from the discovery to the resolution of a probable violation as specified in the "Guidelines for States Participating in the Pipeline Safety Progam"? (Chapter 5.1)	2	**2**

SLR NOTES:

Yes in their Compliance and Enforcement Manual in their Procedures Manual.

C(1).2	Yes = 2 No = 0 Needs Improvement = 1 Does the state have written procedures to notify an operator when a noncompliance is identified as specified in the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(4))	2	**2**

SLR NOTES:

Yes in their Compliance and Enforcement Manual in their Procedures Manual.

C(1).3	Yes = 2 No = 0 Does the state have a written procedure for routinely reviewing the progress of compliance actions to prevent delays or breakdowns of the enforcement process, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(5))	2	**2**

SLR NOTES:

They have a good mechanism and have it in their written procedure in general have the timeline but need more details.

C(1).4	Yes = 4 No = 0 Needs Improvement = 1-3 Did the State issue any compliance actions in the last 3 years ?(Note: PHMSA representative has discretion to delete questions or adjust points, as appropriate , based on number of probable violations; any change requires written explanantion)	4	**4**

SLR NOTES:

Yes

C(1).5	Yes = 2 No = 0 Needs Improvement = 1 Did the state follow its written procedures for reviewing compliance actions and follow-up to determine that prompt corrective actions were taken by operators, within the time frames established by the procedures and compliance correspondence, as required by the "Guidelines for States Participating in the Pipeline Safety Program"?	2	**2**

SLR NOTES:

Yes per their database project tracking system. The turnaround was within the sixty days actually 30 days.

C(1).6	Information Only = No Points If compliance could not be established by other means, did state pipeline safety program staff request formal action, such as a "Show Cause Hearing" to correct pipeline safety violations? (Check each states enforcement procedures)	-	-

SLR NOTES:

For Liquid Operators, compliance did not need to be established by formal action such as a " Show Cause Hearing".

C(1).7	No = 0 Needs Improvement = 1 Yes = 2 Did the state adequately document the resolution of probable violations? (Chapter 5.1(6))	2	**2**

SLR NOTES:

Yes per all of the liquid inspections that I looked through the documentation is in the inspection folder. Also in their Records Management System.

C(1).8	Yes = 1 No = 0 Were compliance actions sent to a company officer (manager or board member if municipal/government system)? (Chapter 5.1(4))	1	**1**

SLR NOTES:

Yes per all of the liquid inspections that I looked through.

C(1).9	Yes = 2 No = 0 Needs Improvement = 1 Did the compliance proceedings give reasonable due process to all parties? (Check each states enforcement procedures)	2	**2**

SLR NOTES:

Yes.

C(1).10	Information Only = No Points Part C(1): General Comments/Regional Observations	-	-

SLR NOTES:

None at this time.

Total points scored for this section: 17

Total possible points for this section: 17

PART C(2) - Compliance 60106(a) States

		Points(MAX)	Score
C(2).1	Yes = 2 No = 0 Needs Improvement = 1 Did the state use an inspection form, approved by the Regional Director, covering applicable regulations in sufficient detail?	2	**NA**

SLR NOTES:

C(2).2	Yes = 2 No = 0 Needs Improvement = 1 Are results adequately documented demonstrating inspection units were reviewed in accordance with state inspection plan?	2	**NA**

SLR NOTES:

C(2).3	Yes = 5 No = 0 Needs Improvement = 2 Were any cases referred to PHMSA for compliance in the last 3 years? (NOTE: PHMSA representative has discretion to delete question or adjust points as appropriate, based on number of probable violations; any change requires written explanation.)	5	**NA**

SLR NOTES:

C(2).4	Yes = 2 No = 0 Needs Improvement = 1 Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment?	2	**NA**

SLR NOTES:

C(2).5	Yes = 2 No = 0 Needs Improvement = 1 Did the State give written notice to PHMSA within 60 days of all probable violations found?	2	**NA**

SLR NOTES:

C(2).6	Yes = 5 No = 0 Needs Improvement = 2 Did the State use the Federal Protocols to conduct the IMP Inspections? (If the State used an alternative Inspection form(s) please provide information regarding alternative form(s))	5	**NA**

SLR NOTES:

C(2).7	Information Only = No Points Part C(2): General Comments/Regional Observations	-	-

SLR NOTES:

NA

Total points scored for this section: 0

Total possible points for this section: 0

PART C(3) - Compliance-Interstate Agents

		Points(MAX)	Score
C(3).1	Yes = 2 No = 0 Needs Improvement = 1 Did the state use an inspection form, approved by the Regional Director, covering applicable regulations in sufficient detail in accordance with the interstate agent agreement?	2	**2**

SLR NOTES:

Yes it is the federal form.

		Points(MAX)	Score
C(3).2	Yes = 2 No = 0 Needs Improvement = 1 Are results adequately documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"?	2	**2**

SLR NOTES:

Yes per our PIMs, violation reports, etc.

		Points(MAX)	Score
C(3).3	Yes = 2 No = 0 Needs Improvement = 1 Did the state submit documentation of the inspections within 60 days, as stated in its latest Interstate Agent Agreement form?	2	**2**

SLR NOTES:

Yes they are meeting the forty five day limit and usually the documentation is received within thirty days.

		Points(MAX)	Score
C(3).4	Yes = 5 No = 0 Needs Improvement = 2 Were any cases referred to PHMSA for compliance in the last 3 years? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.)	5	**5**

SLR NOTES:

Yes per ExxonMobil, KM, etc.

		Points(MAX)	Score
C(3).5	Yes = 2 No = 0 Needs Improvement = 1 Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment?	2	**NA**

SLR NOTES:

NA there were none for liquids.

		Points(MAX)	Score
C(3).6	Yes = 2 No = 0 Needs Improvement = 1 Did the state give written notice to PHMSA within 60 days of all probable violations found?	2	**2**

SLR NOTES:

Yes in the case of ExxonMobil and Kinder Morgan.

		Points(MAX)	Score
C(3).7	Yes = 5 No = 0 Needs Improvement = 2 Did the state initially submit adequate documentation, on report format approved by Regional Director, to support compliance action by PHMSA on probable violations?	5	**5**

SLR NOTES:

Yes per our federal violation report for KM and ExxonMobil.

		Points(MAX)	Score
C(3).8	Information Only = No Points Part C(3): General Comments/Regional Observations	-	-

SLR NOTES:

They as with our other Interstate agents in the WR are very dependable.

Total points scored for this section: 18

Total possible points for this section: 18

PART D - Accident Investigations

		Points(MAX)	Score
D.1	Yes = 2 No = 0 Needs Improvement = 1 Yes = 1 No = 0 Needs Improvement = .5 Are state personnel following the procedures for Federal/State cooperation in case of an accident (Appendix in "Guidelines for States Participating in the Pipeline Safety Program")? (Chapter 6.1)	2	**NA**

SLR NOTES:

NA no liquid accidents in 2007.

D.2	Yes = .5 No = 0 Yes = 2 No = 0 Needs Improvement = 1 Are state personnel familiar with the jurisdictional authority and Memorandum of Understanding between NTSB and PHMSA (Appendix in "Guidelines for States Participating in the Pipeline Safety Program")? (Chapter 6 - Appendix D)	2	**2**

SLR NOTES:

Yes Joe Subsits answered this question correctly.

D.3	Yes = 2 No = 0 Needs Improvement = 1 Yes = 1 No = 0 Needs Improvement = .5 Did the state keep adequate records of accident notifications received?	2	**NA**

SLR NOTES:

NA no reportable liquid accidents in 2007.

D.4	Yes = 1 No = 0 Needs Improvement = .5 Yes = 2 No = 0 Needs Improvement = 1 If an onsite investigation of an accident was not made, did the state obtain sufficient information by other means to determine the facts and support the decision not to go on-site?	2	**NA**

SLR NOTES:

NA no liquid accidents in 2007.

D.5	Yes = 5 No = 0 Yes = 2 No = 0 Needs Improvement = 1 Needs Improvement = 2 Were investigations thorough and conclusions and recommendations documented in an acceptable manner?	5	**NA**

a. Observations ..... Yes ◯ No ◯ Needs Improvement ◯

b. Contributing factors ..... Yes ◯ No ◯ Needs Improvement ◯

c. Recommendations to prevent recurrences where appropriate ..... Yes ◯ No ◯ Needs Improvement ◯

SLR NOTES:

NA no accidents to investigate.

D.6	Yes = 1 No = 0 Needs Improvement = .5 Yes = 3 No = 0 Needs Improvement = 1 Did the state follow-up on any violations found during an accident investigation?	3	**NA**

SLR NOTES:

NA no liquid accidents to investigate in 2007.

D.7	Info Only = No Points Information Only = No Points Did the state take appropriate follow-up actions related to Operator accident reports?	-	-

SLR NOTES:

NA no liquid accidents to follow -up on during 2007.

D.8	Information Only = No Points Did the state work with PHMSA to ensure that incident/accident reports are accurate and updated?	-	-

SLR NOTES:

NA no accident reports necessary because there were no accidents.

D.9	Yes = .5 No = 0 Information Only = No Points Part D: General Comments/Regional Observations	-	-

SLR NOTES:

None at this time.

Total points scored for this section: 2

Total possible points for this section: 2

PART E - Field Inspection

		Points(MAX)	Score
E.1	Yes = 2 No = 0 Needs Improvement = 1 Information Only = No Points Operator,Inspector,Location,Date,PHMSA Representative Information	-	-

Name of Operator Inspected:
Conoco Phillips Pipe Line Compsny

Name of State Inspector(s) Observed:
Kuang Chu

Location of Inspection:
Headquarters in Ponca City, Oklahoma

Date of Inspection:
5/19-23/08 & 6/2-5/08

Name of PHMSA Representative:
Huy Van Nguyen

SLR NOTES:

this was an operator level inspection of their integrity management Program. The IMP Inspection team reviewed the process and records of the Conoco Phillips IM Program.

E.2	Yes = 2 No = 0 Yes = 3 No = 0 Did the inspector use an acceptable inspection form/checklist? (New regulations shall be incorporated)	3	**3**

SLR NOTES:

Yes the inspector use the most current IM protocols checklist.

E.3	Yes = 2 No = 0 Yes = 2 No = 0 Needs Improvement = 1 Did the inspector thoroughly document results of the inspection?	2	**NA**

SLR NOTES:

The inspector did not thoroughly document results of the inspection because he did not need to because he was not the team leader that did document results of the inspection.

E.4	Yes = 1 No = 0 Yes = 1 No = 0 Is the inspector using the inspection form/checklist as a guide for the inspection?	1	**1**

SLR NOTES:

Yes he used the IMP Protocol list and questionaire.

E.5	Info Only = No Points Yes = 2 No = 0 Needs Improvement = 1 Did the inspector check to assure the operator is following its written procedures for (check all that apply):	2	**NA**

- a. Abandonment ☐
- b. Abnormal operations ☐
- c. Break-Out Tanks ☐
- d. Compressor or Pump Stations ☐
- e. Change in Class Location ☐
- f. Casings ☐
- g. Cathodic Protection ☐
- h. Cast-Iron Replacement ☐
- i. Damage Prevention ☐
- j. Deactivation ☐
- k. Emergency Procedures ☐
- l. Inspection of Right-of-Way ☐
- m. Line Markers ☐
- n. Liason with Public Officials ☐
- o. Leak Surveys ☐
- p. MOP ☐
- q. MAOP ☐

Continued from Previous page..... **Points (MAX)** **Score**

r. Moving Pipe	☐
s. New Construction	☐
t. Navigable Waterway Crossings	☐
u. Odorization	☐
v. Overpressure safety devices	☐
w. Plastic Pipe Installation	☐
x. Public Education	☐
y. Purging	☐
z. Prevention of Accidental Ignition	☐
A. Repairs	☐
B. Signs	☐
C. Tapping	☐
D. Valve Maintenance	☐
E. Vault Maintenance	☐
F. Welding	☐

SLR NOTES:

This was a headquarters IMP Inspection that did not include any field inspections. The IMP field verifications will be performed later during the 2009 calendar year.

E.6 Yes = 2 No = 0 Needs Improvement = 1

Did the inspector assure the operator's procedures are adequate for (check all that apply): 2 **2**

a. Abandonment	☐
b. Abnormal operations	☐
c. Break-Out Tanks	☒
d. Compressor or Pump Stations	☐
e. Change in Class Location	☐
f. Casings	☐
g. Cathodic Protection	☒
h. Cast-Iron Replacement	☐
i. Damage Prevention	☐
j. Deactivation	☐
k. Emergency Procedures	☐
l. Inspection of Right-of-Way	☐
m. Line Markers	☐
n. Liason with Public Officials	☐
o. Leak Surveys	☐
p. MOP	☒
q. MAOP	☐
r. Moving Pipe	☐
s. New Construction	☐
t. Navigable Waterway Crossings	☐

Continued from Previous page..... **Points (MAX)** **Score**

u. Odorization ☐
v. Overpressure safety devices ☐
w. Plastic Pipe Installation ☐
x. Public Education ☐
y. Purging ☐
z. Prevention of Accidental Ignition ☐
A. Repairs ☒
B. Signs ☐
C. Tapping ☐
D. Valve Maintenance ☐
E. Vault Maintenance ☐
F. Welding ☐

SLR NOTES:

Yes but this was a headquarters IMP Inspection that did not include many detailed standard procedures inspections. The detailed IMP field and procedures verifications will be performed later during the 2009 calendar year.

E.7 Yes = 2 No = 0 Needs Improvement = 1
Did the inspector check to assure the operator's records verify code and procedures are followed (check all that apply): 2 **2**

a. Abandonment ☐
b. Abnormal operations ☐
c. Break-Out Tanks ☒
d. Compressor or Pump Stations ☒
e. Change in Class Location ☐
f. Casings ☐
g. Cathodic Protection ☒
h. Cast-Iron Replacement ☐
i. Damage Prevention ☐
j. Deactivation ☐
k. Emergency Procedures ☐
l. Inspection of Right-of-Way ☐
m. Line Markers ☐
n. Liason with Public Officials ☐
o. Leak Surveys ☐
p. MOP ☒
q. MAOP ☐
r. Moving Pipe ☐
s. New Construction ☐
t. Navigable Waterway Crossings ☐
u. Odorization ☐
v. Overpressure safety devices ☐
w. Plastic Pipe Installation ☐

Continued from Previous page..... **Points (MAX)** **Score**

x. Public Education	☐
y. Purging	☐
z. Prevention of Accidental Ignition	☐
A. Repairs	☒
B. Signs	☐
C. Tapping	☐
D. Valve Maintenance	☐
E. Vault Maintenance	☐
F. Welding	☐

SLR NOTES:

Yes

E.8 Yes = 2 No = 0
Did the inspector have adequate knowledge of the pipeline safety program goals and regulations? 2 **2**

SLR NOTES:

Yes the inspector has some knowledge of the pipeline safety program goals and regulations. He does need to improve his knowledge of the IMP protocols checklist.

E.9 Information Only = No Points
What is the inspector observing in the field? (Review the summary) - -

SLR NOTES:

There was nothing to observe in the field since this was a headquarters inspection.

E.10 Yes = 1 No = 0
Did the inspector conduct an exit interview? 1 **1**

SLR NOTES:

Yes since this was an IMP inspection the exit interview summary was a team effort.

E.11 Yes = 1 No = 0
During the exit interview, did the inspector identify probable violations found during the inspection? 1 **1**

SLR NOTES:

Yes the inspector and the inspection team did discusstherobable violations during the review of the exit interview summary.

E.12 Information Only = No Points
Part E: Summary of Comments (Written Summary Required) - -

SLR NOTES:

Kuang Chu from the WUTC participated in the headquarters IM audit. His technical background was a very valuable asset for an IM audit.

IM audit on ConocoPhillips in Ponca City, OK.

General Observations:

1. The Inspection Team noted that CPPL has made improvements in developing the process required to successfully implement their IMP since the 2005 Integrity Management inspection, i.e. CPPL-AID.

2. While an IMP begins with an initial framework, required by March 31, 2002 for Category 1 pipeline, it is expected at this time that the required processes and the implementation of the processes would be mature and documented in sufficient detail to ensure consistent application and repeatability. The Inspection Team noted many instances when completion of tasks outlined in the IMP would not be completed for several years. The current PIRAMID risk analysis model is not fully implemented to carry out the risk assessment process for evaluating the impact on risk of potential P&MM measures and reassessment interval.

3. The implementation of the PIRAMID risk model was discussed during the inspection. The Inspection Team understands the challenges in integrating the data into the PIRAMID and PODS platforms to recognize efficiencies in meeting regulatory requirements. It is critical to fully implement these systems to manage pipeline assets in a risk-based approach and perform the IM Rule required data integration and information analysis processes.

Total points scored for this section: 12

Total possible points for this section: 12